Fiscal Estimate - 2005 Session

X	Original		Updated		Corrected		Supplemental
LRB	Number	05-3028/1		Introd	luction Num	ber S	B-245
Subje	ot						
Minimu	ım wage; inc	dex to changes	in consumer	price index			
Fiscal	Effect						
	No State Fisc ndeterminate Increase Appropria Decrease Appropria Create Ne	e Existing ations Existing	Reve	ease Existing enues rease Existing enues	to abs		- May be possible n agency's budget No
	Indeterminat 1. Increas Permiss 2. Decreas	e Costs sive⊠Mandato	3. Increory Perm 4. Decr	ease Revenue nissive Man rease Revenue nissive Man	datory \(\bigcirc \b	nment Uni owns 🔀 ounties 🔲	its Affected Village ⊠ Cities Others WTCS Districts
Fund S	Sources Affe PR TFED		PRS	SEG 🔲 SE	Affected Ch GS 20.445(1)(a)		opriations
Agenc	y/Prepared	Ву		Authorized S	ignature		Date
DWD/ I	Robert Ande	erson (608) 266-	3345	JoAnna Richa	ard (608) 267-320	00	7/1/2005

Fiscal Estimate Narratives DWD 7/1/2005

LRB Number	05-3028/1	Introduction Number	SB-245	Estimate Type	Original
Subject	A				
Minimum wage	e; index to changes	in consumer price index			

Assumptions Used in Arriving at Fiscal Estimate

In the past 8 years there has been only one state minimum wage increase. Consequently there has been very low demand for minimum wage brochures and posters. Annual increases in the minimum wage will create an increased demand for these publications from employers and the public. The department anticipates it will need to print and distribute an additional 50,000 brochures or posters each year over current distribution levels. The cost of printing these materials will be approximately \$1,100 per year. The department anticipates it will individually mail out approximately 20,000 of these materials individually to requesters each year at a cost of \$0.40 per mailing or \$8,000 per year.

The department doesn't believe annual increases in the state minimum wage will affect the number of complaints it receives alleging employers are not receiving the minimum wage.

Indexing the minimum wage to the consumer price index will mean labor costs for minimum wage employees of government units will increase annually at the rate of inflation. The exact cost to government units will be dependent upon how many minimum wage employees a government units has and how many hours those employees work per year.

Long-Range Fiscal Implications

The department anticipates the annualized costs cited above will continue for the foreseeable future.

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

X	Original		Updated		Correcte	ed	Supplemental		
LRB	Number	05-3028	/1	Intr	oduction	Number	SB-245		
Subjec	:t				•				
Minimu	m wage: ind	lex to change:	s in consum	er price inde	ЭX				
						overnment (c	lo not include in		
	ized fiscal		•			•			
The de	partment wil	I have to ame	nd its minin	num wage re	gulations to	o incorporate	the changes made in		
	. The depart ig any additi	ment anticipa	tes it can m	ake these cl	nanges usin	ng current stat	f and without		
	ualized Cos				Annuali:	red Fiscal Im	pact on funds from:		
					Increased	The state of the s	Decreased Costs		
A. Stat	e Costs by	Category							
		- Salaries an	d Fringes			\$0	0		
(FTE	Position Ch	nanges)			(0.0 FTE)				
State	e Operations	- Other Costs	S		(0.0 FTE) (0.0 FTE)				
Loca	l Assistance	;			0				
Aids	to Individua	ls or Organiza	tions			0	(
TO	OTAL State	Costs by Cat	egory			\$9,100	\$0		
B. Stat	e Costs by	Source of Fu	nds						
GPR			view (No. 1)	od Pilotopia	na Kanasa s	9,100	, j.,(%a.) j. 0		
FED						0	0		
PRO/PRS				7	0	C			
SEG/SEG-S				0					
III. Stat	e Revenues es (e.g., tax	s - Complete c increase, de	this only w crease in l	hen propos icense fee,	al will incr	ease or decr	ease state		
					Increase	ed Rev	Decreased Rev		
GPR	Taxes					\$0	\$0		
GPR	GPR Earned			N. 11 (1)	-	0			
FED	FED					0			
PRO	PRO/PRS					0			
SEG	SEG/SEG-S					0	0		
TOTAL State Revenues				-	\$0	\$0			
		N	NET ANNU	ALIZED FIS	CAL IMPA	CT			
		····				<u>State</u>	Local		
NET CHANGE IN COSTS					(\$9,100	\$		
NET C	HANGE IN F	REVENUE				\$0	\$		
Agency	y/Prepared	Ву		Authorize	d Signature	9	Date		
DWD/ F	Robert Ande	rson (608) 26	6-3345	JoAnna Ric	chard (608)	267-3200	7/1/2005		